

Sanden is taking initiatives to create value based on its strengths and core competencies and will continue to respond to stakeholder trust and expectations.

Sanden Holdings Corporation
Director & President
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Transition to a Holding Company Structure

The Sanden Group's key technologies are cooling and heating. In line with the changing times, we have expanded our product portfolio to include freezers and refrigerated showcases for institutional use, vending machines, car air-conditioning compressors, car air-conditioning systems, and living environment systems. Today, we have business relationships with customers throughout the world.

To continue to realize global growth and respond to the growth in scale of our increasingly diverse businesses and the special features of our customers, we made the decision that a reconfiguration of the management systems of the Sanden Group as a whole would be necessary to increase our corporate value. Accordingly, on April 1, 2015, we made the transition to a holding company structure.

After this transition, we feel that the responsibilities and authority of the companies of the Group have been clarified, that the speed of decision making has increased, and that the distance between Sanden and its customers has been reduced. Looking ahead, we will proceed with fusing the dynamism of the Sanden Group and move toward our goal of being a global excellent company that is trusted by its stakeholders.



Initiatives to Identify Materiality

In 2003, to commemorate the 60th anniversary of Sanden's establishment, we prepared our Corporate Philosophy to systematically promote our shared values throughout the Sanden Group and its basic stance as a company. In 2011, we positioned the implementation of this Corporate Philosophy as the essence of Sanden's CSR program. Each and every Sanden employee acts with a constant awareness of this philosophy in conducting his or her daily activities.

Then, in fiscal 2014, with the objective of creating a society that can develop sustainably and continue to grow and to respond to the expectations of our stakeholders, we began initiatives to identify the material CSR issues in our activities. With our CSR Promotion Committee, established last year, as the focal point, as we take account of the requirements of society, we are identifying from all angles the issues the Sanden Group faces. These are introduced in the special feature sections in this CSR Report.

Business Development in Line with Our Management Policies

The management policies of the Sanden Group call on us to Leverage "global" and "quality" to create new corporate value from the environment. Under these policies, on a day-to-day basis, we are steadily drawing on our "quality," which has been built on Sanden's unique Companywide STQM (Sanden Total Quality Management) quality innovation activities, and our "global," which is based on our network of 54 business locations in 23 countries and regions, to attain further corporate growth and contribute to the community. We are doing this through our core capabilities for the development of environment-related technologies and products and our activities to contribute to society.

In 2002, we established the Sanden Forest/Akagi Plant complex based on the concept of "harmonious coexistence of industry and the environment." In March 2014, this complex became the seventh such project in Japan to receive the designation of "Superlative Stage" from SEGES (Social & Environmental Green Evaluation System). Also, in October 2014, Sanden made a presentation on its activities related to biodiversity at the COP12 conference held in South Korea.

Going forward, to hand down this beautiful and irreplaceable Earth to future generations, we will act in an environmentally responsible way in all areas.

Becoming a Company that Continues to Be Trusted by Society

We made the transition to a holding company structure in April 2015, but the core concept of our activities remains, as always, the spirit of "Let Us Develop with Wisdom and Prosper in Harmony." This means, in other words, that "we should use our intelligence in combining our development and pioneering abilities to win prosperity for us all." Looking forward, as the times change, we will not forget to tackle the challenges before us, and continue to innovate, and, working together with all members of the Sanden Group, we will offer the products and services that meet the needs of society.

As we announced in January 2015, we have entered into a plea agreement with the U.S. Department of Justice on issues related to sales of automobile air-conditioner compressors. We regard this matter as being of the utmost seriousness and are working to substantially strengthen all aspects of our compliance systems.

As we continue to establish the Sanden brand as one that is trusted by society, we will take every opportunity to deepen communication with our stakeholders. Accordingly, we will appreciate your giving us your frank opinions and views.

We look forward to your continuing support and encouragement in the years ahead.

Let us Develop with Wisdom and Prosper in Harmony